

Cigarette Tax

TABLE 30A—CIGARETTE TAXES AND OTHER TOBACCO PRODUCTS SURTAX REVENUE, 1959-60 TO 2005-06
(In thousands of dollars)

| Fiscal year | Cigarette tax | | | | Other tobacco products surtax | |
|---------------|----------------------|--------------------------------------|---|---------|-------------------------------|--------------------|
| | Revenue ^a | Distributors' discounts ^b | Gross value of tax indicia ^c | Refunds | Revenue | Rate (%) |
| | | | | | 1 | 2 |
| 2005-06 | \$1,026,497 | \$8,795 | \$1,035,293 | \$1,707 | \$67,348 | 46.76 |
| 2004-05 | 1,024,272 | 8,778 | 1,033,051 | 1,653 | 58,441 | 46.76 |
| 2003-04 | 1,021,366 | 8,755 | 1,030,121 | 4,721 | 44,166 | 46.76 |
| 2002-03 | 1,031,772 | 8,845 | 1,040,617 | 13,248 | 40,996 | 48.89 |
| 2001-02 | 1,067,004 | 9,146 | 1,076,150 | 10,774 | 50,037 | 52.65 ^d |
| 2000-01 | 1,110,692 | 9,503 | 1,120,195 | 8,741 | 52,834 | 54.89 |
| 1999-00 | 1,166,880 | 9,980 | 1,176,859 | 9,413 | 66,884 | 66.50 |
| 1998-99 | 841,911 ^e | 7,206 | 849,117 | 6,808 | 42,137 ^f | 61.53 ^f |
| 1997-98 | 612,066 | 5,244 | 617,309 | 5,448 | 39,617 | 29.37 |
| 1996-97 | 629,579 | 5,394 | 634,973 | 5,060 | 41,590 | 30.38 |
| 1995-96 | 639,030 | 5,469 | 644,499 | 6,193 | 32,788 | 31.20 |
| 1994-95 | 656,923 | 5,628 | 662,551 | 11,159 | 28,460 | 31.20 |
| 1993-94 | 647,993 ^g | 5,553 | 653,546 | 8,353 | 19,773 | 23.03 |
| 1992-93 | 667,479 | 5,715 | 673,195 | 9,138 | 21,480 | 26.82 |
| 1991-92 | 711,276 | 6,086 | 717,362 | 7,791 | 22,016 | 29.35 |
| 1990-91 | 729,612 | 6,242 | 735,854 | 7,904 | 24,064 | 34.17 |
| 1989-90 | 770,042 ^h | 6,581 | 776,623 | 11,615 | 24,956 ^h | 37.47 |
| 1988-89 | 499,712 ^h | 4,273 | 503,984 | 4,968 | 9,994 ^h | 41.67 |
| 1987-88 | 254,869 | 2,180 | 257,049 | 2,970 | | |
| 1986-87 | 257,337 | 2,202 | 259,539 | 2,661 | | |
| 1985-86 | 260,960 | 2,231 | 263,190 | 2,834 | | |
| 1984-85 | 265,070 | 2,267 | 267,337 | 2,390 | | |
| 1983-84 | 265,265 | 2,267 | 267,532 | 2,756 | | |
| 1982-83 | 273,748 | 2,336 | 276,084 | 2,060 | | |
| 1981-82 | 278,667 | 2,383 | 281,050 | 1,843 | | |
| 1980-81 | 280,087 | 2,395 | 282,482 | 1,567 | | |
| 1979-80 | 272,119 ⁱ | 2,327 ⁱ | 274,446 | 1,645 | | |
| 1978-79 | 270,658 | 2,315 | 272,973 | 1,408 | | |
| 1977-78 | 275,042 | 2,352 | 277,394 | 1,239 | | |
| 1976-77 | 270,502 | 2,315 | 272,817 | 832 | | |
| 1975-76 | 269,852 | 2,309 | 272,161 | 927 | | |
| 1974-75 | 264,182 | 2,262 | 266,444 | 745 | | |
| 1973-74 | 259,738 | 2,222 | 261,960 | 632 | | |
| 1972-73 | 253,089 | 2,167 | 255,256 | 626 | | |
| 1971-72 | 248,398 | 2,127 | 250,525 | 677 | | |
| 1970-71 | 240,372 | 2,058 | 242,430 | 552 | | |
| 1965-70 | 834,720 ^j | 9,011 | 843,731 | 1,492 | | |
| 1960-65 | 351,101 ^j | 7,489 ^k | 358,590 | 334 | | |
| 1959-60 | 61,791 ^j | 767 ^m | 62,558 | 67 | | |

a. Net of refunds for tax indicia on cigarettes that become unfit for use (see column 5).

b. A discount of .85 percent of gross value of tax indicia is granted to distributors for affixing the stamps. From July 1, 1960, until August 1, 1967, the discount rate was 2 percent.

c. Includes sales of indicia purchased on credit. Effective July 16, 1961, distributors have been able to purchase tax indicia on credit.

d. From July 1, 2001, through September 9, 2001, the surtax rate on smokeless tobacco ranged from 131 percent for moist snuff to 490 percent for chewing tobacco. Effective September 10, 2001, the surtax rate on smokeless tobacco was lowered to 52.65 percent.

e. Effective January 1, 1999, the overall tax rate on cigarettes was increased from 37 cents to 87 cents per pack under voter-approved Proposition 10. The additional 50-cent-per-pack tax was imposed to raise funds for early childhood development programs. Excludes \$87,978,766 in 1998-99 from the floor stocks taxes for both cigarettes and other tobacco products levied on January 1, 1999.

f. From July 1, 1998, through December 31, 1998, the surtax rate was 26.17 percent for other tobacco products. Effective January 1, 1999, the new surtax imposed under Proposition 10 raised the combined surtax rate to 61.53 percent for other tobacco products. The new surtax is equivalent (in terms of the wholesale costs of other tobacco products) to a 50-cent-per-pack tax on cigarettes.

g. Effective January 1, 1994, the overall tax rate on cigarettes was increased from 35 cents to 37 cents per pack. The additional 2-cent-per-pack tax was imposed to raise funds for breast cancer research and education.

h. Effective January 1, 1989, an additional 25-cent-per-pack surtax was imposed on cigarettes and a new 41.67 percent surtax was imposed on other tobacco products. Excludes \$57,927,856 in 1988-89 and \$595,000 in 1989-90 from the floor stocks tax levied on January 1, 1989.

i. Effective August 1, 1967, the tax rate was increased from 3 cents to 7 cents per pack. On October 1, 1967, the rate was further increased to 10 cents per pack, with the stipulation that 30 percent of the tax be allocated to cities and counties. Includes \$6,515,209 from the 4-cent-per-pack floor stocks tax levied on August 1, 1967; and \$4,889,485 from the 3-cent-per-pack floor stocks tax imposed October 1, 1967.

j. Refunds made for distributors' discounts in the 1960-61 fiscal year on purchases made in the 1959-60 fiscal year have been deducted. These refunds amounted to \$324,000.

k. Effective July 1, 1960, a discount was allowed at the time tax indicia were purchased.

l. Includes \$2,673,048 from the 3-cent-per-pack floor stocks tax imposed July 1, 1959; and also includes the amount of distributors' discounts which were refunded after purchase of indicia.

m. During July and August of 1959, the tax was collected by invoice and no discount was allowed on these collections of \$8,123,700, nor on the \$2,673,048 tax on floor stocks.

r. Revised.